

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS
05 10464 PBS
EASTERN DIVISION**

TIMOTHY M. BROWDER,

Plaintiff,

MAGISTRATE JUDGE

v.

NATIONAL FINANCIAL SYSTEMS, INC.,

Defendant.

COMPLAINT – CLASS ACTION

RECEIPT #

AMOUNT \$ 120

SUMMONS ISSUED 4/7

LOCAL RULE 4.1

WAIVER FORM

MCF ISSUED

BY DPTY. CLK

DATE 4/11/05

INTRODUCTION

1. Plaintiff Timothy M. Browder brings this action against a debt collector, National Financial Systems, Inc. (“NFS”), to recover damages for violation of the Fair Debt Collection Practices Act, 15 U.S.C. §1692 et seq. (“FDPCA”).

JURISDICTION AND VENUE

2. This Court has subject matter jurisdiction under 28 U.S.C. §§ 1331 (general federal question), 1337 (interstate commerce), and 15 U.S.C. §1692k (FDCPA).

3. Venue and personal jurisdiction over defendant in this District is proper because:

- a. Plaintiff resides here;
- b. Defendant has offices here;
- c. Defendant’s collection communications to plaintiff and numerous others were transmitted into the District.

PARTIES

4. Plaintiff Timothy M. Browder is a resident of Chestnut Hill, MA.

5. Defendant National Financial Systems, Inc. (“NFS”) is a corporation with offices at 600 W. John Street, Hicksville, NY 11801.

6. NFS operates a collection agency.
7. NFS is a debt collector as defined in the FDCPA.
8. NFS does business in Massachusetts. It maintains offices at 5230 Washington Street, West Roxbury, MA 02132.

9. NFS is the same entity involved in United States v. National Financial Systems, Inc., Civil Action No. CV-990-7874 (E.D.N.Y.), an action brought at the instance of the Federal Trade Commission to enforce the FDCPA, wherein it signed a consent judgment.

FACTS

10. On or about July 9, 2004, NFS mailed plaintiff a collection letter, attached as Exhibit A.

11. Exhibit A sought to collect a credit card debt allegedly owed to Citicorp.
12. Plaintiff incurred the alleged debt for personal, family or household purposes.
13. Exhibit A is a form letter.

14. Exhibit A states on the reverse: "Any indebtedness of \$600.00 or more may be reported to the IRS as taxable income pursuant to Internal Revenue Code 6050(p) and related federal law."

15. The quoted statement is false. Under no circumstances is the existence of an unpaid debt a taxable event, as stated in the letter.

16. In fact, certain financial institutions are required to file a 1099 information return with the IRS if they *discharge* indebtedness in the principal amount of \$600 or more.

17. The applicable IRS regulation, 26 C.F.R. §1.6050P-1(a)(1), provides: "Except as provided in paragraph (d) of this section, any applicable financial entity (as defined in section 6050P(c)(1)) that discharges an indebtedness of any person (within the meaning of section 7701(a)(1)) of at least \$ 600 during a calendar year must file an information return on Form 1099-C with the Internal Revenue Service."

18. The requirement that the discharge of indebtedness must be reported does not

necessarily mean that the amount discharged represents income.

19. 26 C.F.R. §1.6050P-1(a)(3) provides that “Except as otherwise provided in this section, discharged indebtedness must be reported regardless of whether the debtor is subject to tax on the discharged debt under sections 61 and 108 or otherwise by applicable law.”

20. Debts which the holder is actively seeking to collect through placement with a collection agency such as NFS or otherwise are, by definition, ***not*** discharged.

21. 26 C.F.R. §1.6050P-1(b)(2)(iv) creates a presumption that indebtedness has been discharged if the creditor has not received a payment for 36 months, but that presumption is rebutted “if the creditor (or a third-party collection agency on behalf of the creditor) has engaged in significant, bona fide collection activity” and by “the sale or packaging for sale of the indebtedness by the creditor.”

22. The discharge of indebtedness in the principal amount of \$600 or more is not taxable income if the debtor is insolvent, or if the debt is disputed, or if the discharge occurs in bankruptcy. A large proportion of uncollectible consumer debt falls into one or more of these three categories.

23. The NFS letter also states that the quoted statement “is based on the sender’s research and experience in working with these issues,” suggesting that NFS knows about the tax consequences of not paying debts.

24. NFS regularly includes the quoted language in collection letters, as shown by Exhibits B-G, attached.

25. NFS sent Exhibit A about 5 weeks after it had been sued in the Northern District of Illinois for the same violation, on May 28, 2004, and served with process in that action, on June 2, 2004. NFS thus was on notice that it was violating the law, and chose to continue the conduct in question.

26. NFS does not in fact report the existence of indebtedness over \$600 to the IRS as taxable income. Neither do its clients.

COUNT I -- FDCPA

27 Plaintiff incorporates paragraphs 1-26.

28. The inclusion of the quoted statements on Exhibit A is deceptive, false, and misleading, and violates 15 U.S.C. §§1692e, 1692e(2), 1692e(5), and 1692e(10).

29. Section 1692e provides:

§ 1692e. False or misleading representations [Section 807 of P.L.]

A debt collector may not use any false, deceptive, or misleading representation or means in connection with the collection of any debt. Without limiting the general application of the foregoing, the following conduct is a violation of this section: . . .

(2) The false representation of--

(A) the . . . legal status of any debt . . .

(5) The threat to take any action that cannot legally be taken or that is not intended to be taken. . . .

(10) The use of any false representation or deceptive means to collect or attempt to collect any debt or to obtain information concerning a consumer. . . .

CLASS ALLEGATIONS

30. Plaintiff brings this claim on behalf of a class. The class consists of (i) all natural persons with Massachusetts addresses, (ii) to whom NFS sent a letter stating "Any indebtedness of \$600.00 or more may be reported to the IRS as taxable income pursuant to Internal Revenue Code 6050(p) and related federal law", (iii) on or after a date one year prior to the filing of this action, (iv) and prior to 20 days after this action is filed.

31. The class is so numerous that joinder of all members is impracticable.

32. Exhibit A is a form letter, as evidenced by the bar coded address and account number assigned by NFS.

33. Other examples of NFS letters containing the language complained of, mailed to putative debtors in various parts of the United States, and with personal information redacted, are in Exhibits B-G.

<u>Date</u>	<u>NFS Number</u>	<u>Exhibit</u>
8/8/03	40851679-2-5A	C
9/9/03	44061287-2-C3	D
10/14/03	44788263-1-2X	E
2/20/04	46119092-3-EF	B
3/31/04	46734182-3-2A	F
4/14/04	46938342-2-HB	G
7/9/04	47890799-3-6M	A

34. On information and belief, the NFS numbers are applied to new accounts sent to it for collection sequentially, and NFS sends thousands of letters, all containing the statement complained of, each year.

35. On information and belief, there are more than 50 members of the class defined herein.

36. There are questions of law and fact common to the class members, which questions predominate over any questions affecting only individual class members. The principal question is whether the quoted statement in NFS' letter violates the FDCPA.

37. Plaintiff will fairly and adequately represent the members of the class. Plaintiff has retained counsel experienced in the prosecution of class actions and consumer credit claims.

38. A class action is superior for the fair and efficient adjudication of this matter, in that:

- a. Defendant has inflicted similar injuries to a large number of persons through a single course of conduct;
- b. Individual actions are not economical;
- c. Debtors may not realize that NFS' statement is false;
- d. Congress contemplated class actions as a means of enforcing the

FDCPA.

WHEREFORE, plaintiff requests that the Court enter judgment in favor of the plaintiff and the class members and against defendant for:

- (1) Statutory damages;
- (2) Attorney's fees, litigation expenses and costs of suit;
- (3) Such other or further relief as the Court deems proper.

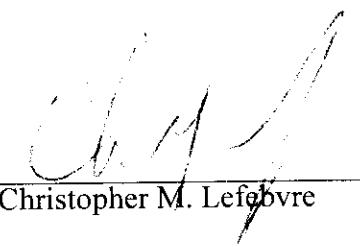
Respectfully submitted,

Daniel A. Edelman
Cathleen M. Combs
James O. Lattner
Francis R. Greene
EDELMAN, COMBS,
LATTNER & GOODWIN, LLC
120 S. LaSalle St., Suite 1800
Chicago, IL 60603
(312) 739-4200
(312) 419-0379

Christopher M. Lefebvre
LAW OFFICES OF CLAUDE
LEFEBVRE & SONS
Two Dexter Street
Pawtucket, RI 02860
(401) 728-6060
(401) 728-6534 (FAX)
B.B.O. # 629056

JURY DEMAND

Plaintiff demands trial by jury.



Christopher M. Lefebvre

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

1. Title of case (name of first party on each side only). Timothy M. Browder v. National Financial Systems, Inc.

2. Category in which the case belongs based upon the numbered nature of suit code listed on the civil cover sheet. (See local rule 40.1(a)(1)).

I. 160, 410, 470, R.23, REGARDLESS OF NATURE OF SUIT.

II. 195, 368, 400, 440, 441-444, 540, 550, 555, 625, 710, 720, 730, 740, 790, 791, 820*, 830*, 840*, 850, 890, 892-894, 895, 950. *Also complete AO 120 or AO 121 for patent, trademark or copyright cases

III. 110, 120, 130, 140, 151, 190, 210, 230, 240, 245, 290, 310, 315, 320, 330, 340, 345, 350, 355, 360, 362, 365, 370, 371, 380, 385, 450, 891.

IV. 220, 422, 423, 430, 460, 510, 530, 610, 620, 630, 640, 650, 660, 690, 810, 861-865, 870, 871, 875, 900.

V. 150, 152, 153.

3. Title and number, if any, of related cases. (See local rule 40.1(g)). If more than one prior related case has been filed in this district please indicate the title and number of the first filed case in this court.

4. Has a prior action between the same parties and based on the same claim ever been filed in this court?

YES NO

5. Does the complaint in this case question the constitutionality of an act of congress affecting the public interest? (See 28 USC §2403)

YES NO

If so, is the U.S.A. or an officer, agent or employee of the U.S. a party?

YES NO

6. Is this case required to be heard and determined by a district court of three judges pursuant to title 28 USC §2284?

YES NO

7. Do all of the parties in this action, excluding governmental agencies of the united states and the Commonwealth of Massachusetts ("governmental agencies"), residing in Massachusetts reside in the same division? - (See Local Rule 40.1(d)).

A. If yes, in which division do all of the non-governmental parties reside?

Eastern Division Central Division Western Division

B. If no, in which division do the majority of the plaintiffs or the only parties, excluding governmental agencies, residing in Massachusetts reside?

Eastern Division Central Division Western Division

8. If filing a Notice of Removal - are there any motions pending in the state court requiring the attention of this Court? (If yes, submit a separate sheet identifying the motions)

YES NO

(PLEASE TYPE OR PRINT)

ATTORNEY'S NAME Christopher M. Lefebvre

ADDRESS Law Offices of Claude Lefebvre & Sons, Two Dexter Street, Pawtucket, RI 02860

TELEPHONE NO. (401) 728-6060

JS 44 (Rev. 11/04)

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

I. (a) PLAINTIFFS TIMOTHY M. BROWDER		DEFENDANTS NATIONAL FINANCIAL SERVICES, INC.,
(b) County of Residence of First Listed Plaintiff <u>MIDDLESEX</u> (EXCEPT IN U.S. PLAINTIFF CASES)		County of Residence of First Listed Defendant (IN U.S. PLAINTIFF CASES ONLY)
(c) Attorney's (Firm Name, Address, and Telephone Number) OSI COLLECTION SERVICES, INC.,		NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE LAND INVOLVED. Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)		III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)			
<input type="checkbox"/> 1 U.S. Government Plaintiff	<input checked="" type="checkbox"/> 3 Federal Question (U.S. Government Not a Party)	Citizen of This State	<input type="checkbox"/> PTF 1	<input type="checkbox"/> DEF 1	Incorporated or Principal Place of Business In This State
<input type="checkbox"/> 2 U.S. Government Defendant	<input type="checkbox"/> 4 Diversity (Indicate Citizenship of Parties in Item III)	Citizen of Another State	<input type="checkbox"/> PTF 2	<input type="checkbox"/> DEF 2	Incorporated and Principal Place of Business In Another State
		Citizen or Subject of a Foreign Country	<input type="checkbox"/> PTF 3	<input type="checkbox"/> DEF 3	Foreign Nation
			<input type="checkbox"/> PTF 6	<input type="checkbox"/> DEF 6	

IV. NATURE OF SUIT (Place an "X" in One Box Only)					
CONTRACT		TORTS		FORFEITURE/PENALTY	
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise		<input type="checkbox"/> PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury		<input type="checkbox"/> PERSONAL INJURY <input type="checkbox"/> 362 Personal Injury - Med. Malpractice <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	
REAL PROPERTY		CIVIL RIGHTS		PRISONER PETITIONS	
<input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property		<input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/ Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 440 Other Civil Rights		<input type="checkbox"/> 510 Motions to Vacate Sentence Habeas Corpus: <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition	
BANKRUPTCY <input type="checkbox"/> 610 Agriculture <input type="checkbox"/> 620 Other Food & Drug <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 630 Liquor Laws <input type="checkbox"/> 640 R.R. & Truck <input type="checkbox"/> 650 Airline Regs. <input type="checkbox"/> 660 Occupational Safety/Health <input type="checkbox"/> 690 Other					
PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark					
LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Empl. Ret. Inc. Security Act					
SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g))					
FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609					
OTHER STATUTES <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 810 Selective Service <input type="checkbox"/> 850 Securities/Commodities/ Exchange <input type="checkbox"/> 875 Customer Challenge 12 USC 3410 <input checked="" type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice <input type="checkbox"/> 950 Constitutionality of State Statutes					

V. ORIGIN (Place an "X" in One Box Only)					
<input checked="" type="checkbox"/> 1 Original Proceeding	<input type="checkbox"/> 2 Removed from State Court	<input type="checkbox"/> 3 Remanded from Appellate Court	<input type="checkbox"/> 4 Reinstated or Reopened	<input type="checkbox"/> 5 Transferred from another district (specify)	<input type="checkbox"/> 6 Multidistrict Litigation
<input type="checkbox"/> 7 Appeal to District Judge from Magistrate Judgment					

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity). Violation of the Fair Debt Collection Practices Act					
Brief description of cause:					

VII. REQUESTED IN COMPLAINT:		<input checked="" type="checkbox"/> CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23	DEMANDS	CHECK YES only if demanded in complaint:	
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VIII. RELATED CASE(S) IF ANY		(See instructions):	JUDGE	JURY DEMAND: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
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DATE	SIGNATURE OF ATTORNEY OF RECORD	DOCKET NUMBER
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RECEIPT #	AMOUNT	APPLYING IFFP	JUDGE	MAG. JUDGE
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C2-28-05 FOR OFFICE USE ONLY				
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FROM:
 600 W JOHN ST
 P.O. BOX 9041
 HICKSVILLE NY 11802-9041

3 3 68
 229698

Return Service Requested



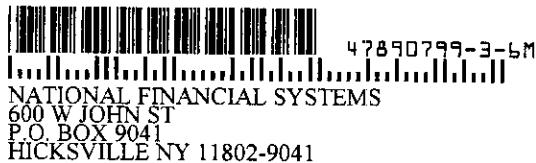
47890799-3-6M



***** AUTO**MIXED AADC 117
 BROWDER, TIMOTHY M
 163 GERRY RD
 CHESTNUT HILL MA 02467-3185



NATIONAL
 FINANCIAL
 SYSTEMS, INC.
 5230 WASHINGTON STREET, WEST ROXBURY, MA 02132
 Phone: (800) 568-2733/(516) 932-1400 Fax: (516) 932-8828
 Date: JULY 9, 2004
AMOUNT DUE: \$9731.63



47890799-3-6M
 NATIONAL FINANCIAL SYSTEMS
 600 W JOHN ST
 P.O. BOX 9041
 HICKSVILLE NY 11802-9041

Please detach and return with payment.

THIS ACCOUNT HAS BEEN PLACED WITH OUR OFFICE FOR THE PURPOSE OF COLLECTING THE AMOUNT LISTED BELOW.

UNLESS YOU NOTIFY THIS OFFICE WITHIN 30 DAYS AFTER RECEIVING THIS NOTICE THAT YOU DISPUTE THE VALIDITY OF THIS DEBT OR ANY PORTION THEREOF, THIS OFFICE WILL ASSUME THE DEBT IS VALID. IF YOU NOTIFY THIS OFFICE IN WRITING WITHIN 30 DAYS FROM RECEIVING THIS NOTICE, THIS OFFICE WILL OBTAIN VERIFICATION OF THE DEBT OR OBTAIN A COPY OF A JUDGMENT AND MAIL YOU A COPY OF SUCH JUDGMENT OR VERIFICATION. IF YOU REQUEST THIS OFFICE IN WRITING WITHIN 30 DAYS AFTER RECEIVING THIS NOTICE, THIS OFFICE WILL PROVIDE YOU WITH THE NAME AND ADDRESS OF THE ORIGINAL CREDITOR, IF DIFFERENT FROM THE CURRENT CREDITOR.

IF YOU WISH TO DISCUSS THIS DEMAND FOR PAYMENT.

NOTICE OF IMPORTANT RIGHTS

YOU HAVE THE RIGHT TO MAKE A WRITTEN OR ORAL REQUEST THAT TELEPHONE CALLS REGARDING YOUR DEBT NOT BE MADE TO YOU AT YOUR PLACE OF EMPLOYMENT. ANY SUCH ORAL REQUEST WILL BE VALID FOR ONLY TEN DAYS UNLESS YOU PROVIDE WRITTEN CONFIRMATION OF THE REQUEST POSTMARKED OR DELIVERED WITHIN SEVEN DAYS OF SUCH REQUEST. YOU MAY TERMINATE THIS REQUEST BY WRITING THE COLLECTION AGENCY.

NATIONAL FINANCIAL SYSTEMS, INC. 600 W JOHN ST, P.O.BOX 9046 / HICKSVILLE, NY 11801-1040
 5230 WASHINGTON STREET, WEST ROXBURY, MA 02132
 CALL TOLL FREE 1 (800) 411-1332
 MON THRU THUR 8:00AM TO 9:00PM/FRI 8:00AM TO 5:00PM/SAT 8:00AM TO NOON EST

THIS IS A DEBT COLLECTION AGENCY

PLEASE SEE OTHER SIDE FOR IMPORTANT INFORMATION

**THIS IS AN ATTEMPT TO COLLECT A DEBT AND ANY INFORMATION
 OBTAINED WILL BE USED FOR THAT PURPOSE.**

7/9/04

**Re: YOUR ACCOUNT WITH OUR CLIENT:
 CITICORP MASTERCARD**

**ACCT# :5424180377946972
 PRINCIPAL :\$9731.63**

CHARGES :\$.00

AMOUNT DUE :\$9731.63

BROWDER, TIMOTHY M
 163 GERRY RD
 CHESTNUT HILL MA 02467-3185

To Residents in:

COLORADO:

FOR INFORMATION ABOUT THE COLORADO FAIR DEBT COLLECTION PRACTICES ACT, SEE
WWW.AGO.STAT.CO.US/CAB.HTM.

MINNESOTA:

This collection agency is licensed by the Minnesota Department of Commerce.

NEW YORK CITY:

New York City Department of Consumer Affairs license number 0808844.

NORTH CAROLINA:

North Carolina collection agency permit number 3254.

THIS INFORMATION IS NOT INTENDED AS LEGAL ADVICE AND SHOULD NOT BE USED TO REPLACE THE ADVISE OF YOUR OWN LEGAL COUNSEL. ANY INFORMATION CONTAINED IN THIS TRANSMISSION IS BASED ON THE SENDER'S RESEARCH AND EXPERIENCE IN WORKING WITH THESE ISSUES.

Collection agencies must comply with a federal law that provides you with certain rights, including the right to have us stop communicating with you, if you make the request in writing to: National Financial Systems, Inc. This law is administered by the Federal Trade Commission, One Bowling Green, Third Floor, New York, NY 10004.

For inquiries, call 1-866-463-5443 1:00 pm - 3:00 pm est Monday - Thursday.

Any indebtedness of \$600.00 or more may be reported to the IRS as taxable income pursuant to Internal Revenue Code 6050 (P) and related federal law.

600 W JOHN ST
P.O. BOX 9046
HICKSVILLE NY 11801



NATIONAL
FINANCIAL
SYSTEMS, INC.

February 20, 04

Phone: (516) 932-1400 Fax: (516) 932-8828

AMOUNT DUE: \$24,401.28



46119092-3-EF

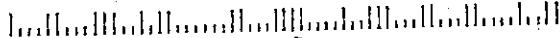
LOUGHLIN, SHARON
8 MUIRFIELD CT
LAKE IN THE HILLS IL 60156-6354



46119092-3-EF

NATIONAL FINANCIAL SYSTEMS

600 W JOHN ST
P.O. BOX 9046
HICKSVILLE NY 11801



PLEASE DETACH AND RETURN WITH PAYMENT

THIS ACCOUNT HAS BEEN PLACED IN OUR OFFICE FOR THE PURPOSE OF COLLECTING THE AMOUNT LISTED.

UNLESS YOU NOTIFY THIS OFFICE WITHIN 30 DAYS AFTER RECEIVING THIS NOTICE THAT YOU DISPUTE THE VALIDITY OF THIS DEBT OR ANY PORTION THEREOF, THIS OFFICE WILL ASSUME

THIS DEBT IS VALID. IF YOU NOTIFY THIS OFFICE IN WRITING WITHIN 30 DAYS FROM RECEIVING THIS NOTICE, THIS OFFICE WILL OBTAIN VERIFICATION OF THE DEBT OR OBTAIN A COPY OF A JUDGEMENT AND MAIL YOU A COPY OF SUCH JUDGMENT OR VERIFICATION. IF YOU REQUEST THIS OFFICE IN WRITING WITHIN 30 DAYS AFTER RECEIVING THIS NOTICE, THIS OFFICE WILL PROVIDE YOU WITH THE NAME AND ADDRESS OF THE ORIGINAL CREDITOR, IF DIFFERENT FROM THE CURRENT CREDITOR.

IF PAYMENT IS NOT MADE, COLLECTION EFFORTS AS WELL AS INTEREST WILL CONTINUE.

NATIONAL FINANCIAL SYSTEMS, INC. 600 W JOHN ST, P.O.BOX 9046 / HICKSVILLE, NY 11801-1040

CALL TOLL FREE 1 (800) 411-1332

MON THRU THUR 8:00AM TO 9:00PM/FRI 8:00AM TO 5:00PM/SAT 8:00AM TO NOON EST

THIS IS A DEBT COLLECTION AGENCY

PLEASE SEE OTHER SIDE FOR IMPORTANT INFORMATION.

THIS IS AN ATTEMPT TO COLLECT A DEBT AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

2/20/04

FOR: BANK NNW2

LOUGHLIN, SHARON
8 MUIRFIELD CT
LAKE IN THE HILLS IL 60156

24

RE: YOUR ACCOUNT WITH OUR CLIENT
CITCORP MASTERCARD

ACCT #:

\$24,401.28

PRINCIPAL: \$24,401.28

CHARGES: \$0.00

AMOUNT DUE: \$24,401.28

To Residents in:

COLORADO:

FOR INFORMATION ABOUT THE COLORADO FAIR DEBT COLLECTION PRACTICES ACT, SEE
WWW.AGG.STATE.CO.US/QAB.HTM.

MINNESOTA:

This collection agency is licensed by the Minnesota Department of Commerce.

NEW YORK CITY:

New York City Department of Consumer Affairs license number 0808844.

NORTH CAROLINA:

North Carolina collection agency permit number 3254.

THIS INFORMATION IS NOT INTENDED AS LEGAL ADVICE AND SHOULD NOT BE USED TO REPLACE THE ADVISE OF YOUR OWN LEGAL COUNSEL. ANY INFORMATION CONTAINED IN THIS TRANSMISSION IS BASED ON THE SENDER'S RESEARCH AND EXPERIENCE IN WORKING WITH THESE ISSUES.

Collection agencies must comply with a federal law that provides you with certain rights, including the right to have us stop communicating with you, if you make the request in writing to: National Financial Systems, Inc. This law is administered by the Federal Trade Commission, One Bowling Green, Third Floor, New York, NY 10004.

For inquiries, call 1-866-463-5443 1:00 pm - 3:00 pm est Monday - Thursday.

Any indebtedness of \$600.00 or more may be reported to the IRS as taxable income pursuant to Internal Revenue Code 6050 (P) and related federal law.

600 W JOHN ST
P.O. BOX 9046
HICKSVILLE NY 11801



August 08, 03

Phone: (516) 932-1400 Fax: (516) 932-8828
AMOUNT DUE: \$761.24



40851679-2-5A

[REDACTED]

BALTIMORE MD 21213-1409

|||||



40851679-2-5A

NATIONAL FINANCIAL SYSTEMS
600 W JOHN ST
P.O. BOX 9046
HICKSVILLE NY 11801

|||||

PLEASE DETACH AND RETURN WITH PAYMENT

WE ARE DELIGHTED TO BE ABLE TO OFFER YOU THIS TREMENDOUS SAVINGS ... BUT YOU MUST TAKE ADVANTAGE OF THIS SPECIAL SITUATION BEFORE 08/30/03.

NFS CAN **SETTLE YOUR ACCOUNT-IN-FULL** AT 75% OF THE TOTAL DUE IF WE RECEIVE \$570.00 BY 08/30/03, SAVING YOU AN UNBELIEVABLE SUM.

DON'T DELAY!!

SEND YOUR SETTLEMENT PAYMENT OR CALL US NOW.
REMEMBER THE DEADLINE DATE AND USE OUR TOLL FREE NUMBER.

NATIONAL FINANCIAL SYSTEMS, INC. 600 W JOHN ST, P.O.BOX 9046 / HICKSVILLE, NY 11801-1040

CALL TOLL FREE 1 (800) 765-2733

MON THRU THUR 8:00AM TO 9:00PM/FRI 8:00AM TO 5:00PM/SAT 8:00AM TO NOON EST

THIS IS A DEBT COLLECTION AGENCY

PLEASE SEE OTHER SIDE FOR IMPORTANT INFORMATION

THIS IS AN ATTEMPT TO COLLECT A DEBT AND ANY INFORMATION
OBTAINED WILL BE USED FOR THAT PURPOSE.

8/8/03

FOR:

[REDACTED]
BALTIMORE MD 21213
17

RE: YOUR ACCOUNT WITH OUR CLIENT
5 STAR BANK

ACCT #:	[REDACTED]
PRINCIPAL:	\$761.24
CHARGES:	\$0.00
AMOUNT DUE:	\$761.24

To Residents in:

COLORADO:

FOR INFORMATION ABOUT THE COLORADO FAIR DEBT COLLECTION PRACTICES ACT, SEE
WWW.AGO.STATE.CO.US/CAP.HTM.

MINNESOTA:

This collection agency is licensed by the Minnesota Department of Commerce.

NEW YORK CITY:

New York City Department of Consumer Affairs license number 0808844.

NORTH CAROLINA:

North Carolina collection agency permit number 7054.

THIS INFORMATION IS NOT INTENDED AS LEGAL ADVICE AND SHOULD NOT BE USED TO REPLACE THE ADVISE OF YOUR OWN LEGAL COUNSEL. ANY INFORMATION CONTAINED IN THIS TRANSMISSION IS BASED ON THE SENDER'S RESEARCH AND EXPERIENCE IN WORKING WITH THESE ISSUES.

Collection agencies must comply with a federal law that provides you with certain rights, including the right to have us stop communicating with you, if you make the request in writing to: National Financial Systems, Inc. This law is administered by the Federal Trade Commission, One Bowling Green, Third Floor, New York, NY 10004.

Any indebtedness of \$600.00 or more may be reported to the IRS as taxable income pursuant to Internal Revenue Code 6050 (P) and related federal law.

600 W JOHN ST
P.O. BOX 9046
HICKSVILLE NY 11801



September 09, 03

Phone: (516) 932-1400 Fax: (516) 932-8828
AMOUNT DUE: \$13,867.53



44061287-2-C3

[REDACTED]
[REDACTED]
DAYTON OH 45431-2834

[REDACTED]



44061287-2-C3

NATIONAL FINANCIAL SYSTEMS
600 W JOHN ST
P.O. BOX 9046
HICKSVILLE NY 11801

[REDACTED]

PLEASE DETACH AND RETURN WITH PAYMENT

THIS LETTER REPRESENTS A *** 65% SETTLEMENT-IN-FULL ***OFFER

WE ARE DELIGHTED TO BE ABLE TO OFFER YOU THIS TREMENDOUS SAVINGS. IN ORDER TO TAKE ADVANATAGE OF THIS SPECIAL OFFER YOU MUST CONTACT US IMMEDIATELY AT 1-800-568-2733.

NFS CAN **SETTLE YOUR ACCOUNT-IN-FULL** AT 65% OF THE TOTAL DUE, SAVING YOU AN UNBELIEVABLE SUM.

DON'T DELAY !!

SEND YOUR SETTLEMENT PAYMENT OR CALL US RIGHT NOW!!

IF PAYMENT IS NOT MADE, COLLECTION EFFORTS AS WELL AS INTEREST WILL CONTINUE.

NATIONAL FINANCIAL SYSTEMS, INC. 600 W JOHN ST, P.O.BOX 9046 / HICKSVILLE, NY 11801-1040

CALL TOLL FREE 1 (800) 765-2733

MON THRU THUR 8:00AM TO 9:00PM/FRI 8:00AM TO 5:00PM/SAT 8:00AM TO NOON EST

THIS IS A DEBT COLLECTION AGENCY

PLEASE SEE OTHER SIDE FOR IMPORTANT INFORMATION

THIS IS AN ATTEMPT TO COLLECT A DEBT AND ANY INFORMATION
OBTAINED WILL BE USED FOR THAT PURPOSE.

9/9/03

FOR: BANK NNW2

[REDACTED]
[REDACTED]
DAYTON OH 45431

52

RE: YOUR ACCOUNT WITH OUR CLIENT
CITCORP MASTERCARD

ACCT #:

PRINCIPAL: \$13,576.38

CHARGES: \$291.15

AMOUNT DUE: \$13,867.53

1,630

To Residents in:

COLORADO:

FOR INFORMATION ABOUT THE COLORADO FAIR DEBT COLLECTION PRACTICES ACT, SEE
WWW.AGO.STATE.CO.US/CAB.HTM.

MINNESOTA:

This collection agency is licensed by the Minnesota Department of Commerce.

NEW YORK CITY:

New York City Department of Consumer Affairs license number 0808844.

NORTH CAROLINA:

North Carolina collection agency permit number 3254.

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600 W JOHN ST
P.O. BOX 9046
HICKSVILLE NY 11801



NATIONAL
FINANCIAL
SYSTEMS, INC.

October 14, 03

Phone: (516) 932-1400 Fax: (516) 932-8828

AMOUNT DUE: \$5,982.03



44788263-1-2X

[REDACTED]
[REDACTED]
SAN ANTONIO TX 78245-1529

[REDACTED]



44788263-1-2X

NATIONAL FINANCIAL SYSTEMS
600 W JOHN ST
P.O. BOX 9046
HICKSVILLE NY 11801

[REDACTED]

PLEASE DETACH AND RETURN WITH PAYMENT

THIS ACCOUNT HAS BEEN PLACED WITH OUR OFFICE FOR THE PURPOSE OF COLLECTING THE AMOUNT LISTED BELOW.

UNLESS YOU NOTIFY THIS OFFICE WITHIN 30 DAYS AFTER RECEIVING THIS NOTICE THAT YOU DISPUTE THE VALIDITY OF THIS DEBT OR ANY PORTION THEREOF, THIS OFFICE WILL ASSUME THIS DEBT IS VALID. IF YOU NOTIFY THIS OFFICE IN WRITING WITHIN 30 DAYS FROM RECEIVING THIS NOTICE, THIS OFFICE WILL: OBTAIN VERIFICATION OF THE DEBT OR OBTAIN A COPY OF A JUDGEMENT AND MAIL YOU A COPY OF SUCH JUDGMENT OR VERIFICATION. IF YOU REQUEST THIS OFFICE IN WRITING WITHIN 30 DAYS AFTER RECEIVING THIS NOTICE, THIS OFFICE WILL PROVIDE YOU WITH THE NAME AND ADDRESS OF THE ORIGINAL CREDITOR, IF DIFFERENT FROM THE CURRENT CREDITOR.

IF YOU WISH TO DISCUSS THIS DEMAND FOR PAYMENT.

IF PAYMENT IS NOT MADE, COLLECTION EFFORTS AS WELL AS INTEREST WILL CONTINUE.

NATIONAL FINANCIAL SYSTEMS, INC. 600 W JOHN ST, P.O.BOX 9046 / HICKSVILLE, NY 11801-1040

CALL TOLL FREE 1 (800) 568-2733

MON THRU THUR 8:00AM TO 9:00PM/FRI 8:00AM TO 5:00PM/SAT 8:00AM TO NOON EST

THIS IS A DEBT COLLECTION AGENCY .

PLEASE SEE OTHER SIDE FOR IMPORTANT INFORMATION

THIS IS AN ATTEMPT TO COLLECT A DEBT AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

10/14/03

FOR: BANK NNN1

[REDACTED]
[REDACTED]
SAN ANTONIO TX 78245

37

RE: YOUR ACCOUNT WITH OUR CLIENT
CITICORP UNIVERSAL MASTERCARD

ACCT #:	[REDACTED]
PRINCIPAL:	\$5,982.03
CHARGES:	\$0.00
AMOUNT DUE:	\$5,982.03

1,782

To Residents in:

COLORADO:

FOR INFORMATION ABOUT THE COLORADO FAIR DEBT COLLECTION PRACTICES ACT, SEE
WWW.CGO.STATE.CO.US/CAB.HTM.

MINNESOTA:

This collection agency is licensed by the Minnesota Department of Commerce.

NEW YORK CITY:

New York City Department of Consumer Affairs license number 0806844.

NORTH CAROLINA:

North Carolina collection agency permit number 3254.

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For inquiries, call 1-866-463-5443 1:00 pm - 3:00 pm est Monday - Thursday.

Any indebtedness of \$600.00 or more may be reported to the IRS as taxable income pursuant to Internal Revenue Code 6050 (P) and related federal law.

EXHIBIT F

600 W JOHN ST
P.O. BOX 9046
HICKSVILLE NY 11801



NATIONAL
FINANCIAL
SYSTEMS, INC.

March 31, 04

Phone: (516) 932-1400 Fax: (516) 932-8828

AMOUNT DUE: \$1,511.26



46734182-3-2A



46734182-3-2A

NATIONAL FINANCIAL SYSTEMS
600 W JOHN ST
P.O. BOX 9046
HICKSVILLE NY 11801

BATH PA 18014-2155

XXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

XXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

PLEASE DETACH AND RETURN WITH PAYMENT

THIS ACCOUNT HAS BEEN PLACED IN OUR OFFICE FOR THE PURPOSE OF COLLECTING THE AMOUNT LISTED.

UNLESS YOU NOTIFY THIS OFFICE WITHIN 30 DAYS AFTER RECEIVING THIS NOTICE THAT YOU DISPUTE THE VALIDITY OF THIS DEBT OR ANY PORTION THEREOF, THIS OFFICE WILL ASSUME THIS DEBT IS VALID. IF YOU NOTIFY THIS OFFICE IN WRITING WITHIN 30 DAYS FROM RECEIVING THIS NOTICE, THIS OFFICE WILL: OBTAIN VERIFICATION OF THE DEBT OR OBTAIN A COPY OF A JUDGEMENT AND MAIL YOU A COPY OF SUCH JUDGMENT OR VERIFICATION. IF YOU REQUEST THIS OFFICE IN WRITING WITHIN 30 DAYS AFTER RECEIVING THIS NOTICE, THIS OFFICE WILL PROVIDE YOU WITH THE NAME AND ADDRESS OF THE ORIGINAL CREDITOR, IF DIFFERENT FROM THE CURRENT CREDITOR.

IF PAYMENT IS NOT MADE, COLLECTION EFFORTS AS WELL AS INTEREST WILL CONTINUE.

NATIONAL FINANCIAL SYSTEMS, INC. 600 W JOHN ST, P.O.BOX 9046 / HICKSVILLE, NY 11801-1040

CALL TOLL FREE 1 (800) 411-1332

MON THRU THUR 8:00AM TO 9:00PM/FRI 8:00AM TO 5:00PM/SAT 8:00AM TO NOON EST

THIS IS A DEBT COLLECTION AGENCY

PLEASE SEE OTHER SIDE FOR IMPORTANT INFORMATION

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3/31/04

RE: YOUR ACCOUNT WITH OUR CLIENT
CITCORP MASTERCARD

FOR: BANK NNW2

BATH PA 18014

24

ACCT #: 5XXXXXXXXXX

PRINCIPAL: \$1,511.26

CHARGES: \$0.00

AMOUNT DUE: \$1,511.26

To Residents in:

COLORADO:

FOR INFORMATION ABOUT THE COLORADO FAIR DEBT COLLECTION PRACTICES ACT, SEE
WWW.AGO.STATE.CO.US/CDFP.HTM.

MINNESOTA:

This collection agency is licensed by the Minnesota Department of Commerce.

NEW YORK CITY:

New York City Department of Consumer Affairs license number 0808844.

NORTH CAROLINA:

North Carolina collection agency permit number 3354.

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For inquiries, call 1-866-463-5443 1:00 pm - 3:00 pm est Monday - Thursday.

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EXHIBIT G

600 W JOHN ST
P.O. BOX 9046
HICKSVILLE NY 11801



NATIONAL
FINANCIAL
SYSTEMS, INC.

April 14, 04

Phone: (516) 932-1400 Fax: (516) 932-8828
AMOUNT DUE: \$9,390.76



46938342-2-HB

[REDACTED]
INWOOD NY 11096-2040

[REDACTED]



46938342-2-HB

NATIONAL FINANCIAL SYSTEMS
600 W JOHN ST
P.O. BOX 9046
HICKSVILLE NY 11801

[REDACTED]

PLEASE DETACH AND RETURN WITH PAYMENT

THIS ACCOUNT HAS BEEN PLACED WITH OUR OFFICE FOR THE PURPOSE OF COLLECTING THE
AMOUNT LISTED BELOW.

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DISPUTE THE VALIDITY OF THIS DEBT OR ANY PORTION THEREOF, THIS OFFICE WILL ASSUME
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IF YOU WISH TO DISCUSS THIS DEMAND FOR PAYMENT.

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NATIONAL FINANCIAL SYSTEMS, INC. 600 W JOHN ST, P.O.BOX 9046 / HICKSVILLE, NY 11801-1040

CALL TOLL FREE 1 (800) 765-2733

MON THRU THUR 8:00AM TO 9:00PM/FRI 8:00AM TO 5:00PM/SAT 8:00AM TO NOON EST

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OBTAINED WILL BE USED FOR THAT PURPOSE.

4/14/04

FOR: BANK NNH1

[REDACTED]
INWOOD NY 11096

37

RE: YOUR ACCOUNT WITH OUR CLIENT
CITICORP MASTERCARD

ACCT #:	[REDACTED]
PRINCIPAL:	\$9,390.76
CHARGES:	\$0.00
AMOUNT DUE:	\$9,390.76

To Residents in:

COLORADO:

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